

**COMMONWEALTH OF KENTUCKY
CITY OF LONDON**

A SUMMARY OF CITY OF LONDON ORDINANCE NO. 2016-09

**ENTITLED AN ORDINANCE REGULATING THE SALE OF
ALCOHOLIC BEVERAGES WITHIN THE
CITY LIMITS OF LONDON, KENTUCKY**

This Summary is prepared pursuant to KRS 83A.060(4).

The following is intended to be a summary of Ordinance No. 2016-09 as herein above stated. This summary is prepared by Larry G. Bryson, the attorney for the City of London, Kentucky, who is authorized to practice law in the Commonwealth of Kentucky and who further states that this document is a true and correct summary of Ordinance No. 2016-09.

The amended Ordinance remains unchanged except for the following sections with the following summary of the changes:

Section 3.02 is amended to add the following as section A: The City may issue licenses for the sale of alcoholic beverages by the drink at restaurants and dining facilities where the usual and customary business is the serving of meals to consumers, which has a bona fide kitchen facility, which receives at least seventy percent (70%) of its gross income from the sale of food, which maintains a minimum seating capacity of one hundred (100) persons for dining, and which is located in a wet or moist territory under KRS 242.1244(2).

Section 3.03 is amended to reflect that the expiration date for all licenses issued is April 30.

Section 3.11 is amended to add the following language: Upon proceedings for the revocation of any City License, the local alcoholic beverage administrator, may in his or her discretion order a suspension of the license for any cause for which it may, but is not required to, revoke the license. However, the licensee may have the alternative, subject to the approval of the Alcoholic Beverage Control Board or the local alcoholic beverage administrator, for the first ordered suspension of a licensee to pay in lieu of part or all of the days of any suspension period, a sum as follows: Wineries and brewers, one thousand dollars (\$1,000) per day; retail licensees authorized to sell distilled spirits, wine, or beer by the package or drink, fifty dollars (\$50) per day; and all remaining licensees, fifty dollars (\$50) per day. However, no payment shall be allowed in lieu of the suspension period for a second or subsequent suspension period.

The general purpose of this Ordinance is to regulate, restrict, and impose license fees upon retail establishments (restaurants) that wish to sell alcoholic beverages.

Any Ordinances or parts of Ordinances in conflict with this Ordinance are repealed and this Ordinance is effective on publication.

This Summary is certified as a true and accurate summary of Ordinance No. 2016-09 by Larry G. Bryson, City Attorney for the City of London.

LARRY G. BRYSON

ATTORNEY FOR THE CITY OF LONDON

**COMMONWEALTH OF KENTUCKY
CITY OF LONDON
ORDINANCE NO: 2016-09**

**“AN ORDINANCE REGULATING THE SALE OF
ALCOHOLIC BEVERAGES WITHIN THE CITY LIMITS OF
LONDON, KENTUCKY.”**

Whereas, an election was held on November 2, 2004 and January 26, 2016, pursuant to KRS 242.185(6) as to whether the City of London would permit the limited sale of alcoholic beverages within the city limits of London, and

Whereas, a majority of the citizens of the City of London have voted in favor of the limited sale of alcoholic beverages, and

Whereas, the City may impose certain restrictions, regulations, and license fees upon such retail establishments that wish to sell alcoholic beverages, and

Now Therefore, Be it hereby ordained by the City Council of the City of London, Kentucky that London City Ordinance No. 2005-01 and London City Ordinance No. 2015-02 are repealed by this Ordinance as follows:

Sec. 1.00 ALCOHOL BEVERAGE CONTROL

Sec 1.01 SHORT TITLES

This Ordinance shall be known and may be cited as the Alcoholic Beverage Ordinance of the City of London (“City”)

Sec. 1.02 DEFINITIONS

The definitions of the words used throughout this Ordinance, unless the context requires otherwise, shall have the same meaning as those set out in Kentucky Alcoholic Beverage Control law (KRS Chapters 241, 242, 243, and 244) of the Commonwealth of Kentucky and all amendments and supplements thereto.

Sec. 1.03 INCORPORATION OF STATE LAW

(A) The provisions of the State Alcoholic Beverage Control laws contained in KRS Chapters 241, 242, 243, and 244, pertaining to licenses and regulations of the State Alcoholic Beverage Control Board, including definitions contained therein, as well as amendments and supplements thereto, are hereby adopted as part of the alcoholic beverage control law of the City, except as otherwise lawfully provided herein.

(B) No person shall sell, deal in, barter or exchange or possess for sale, or for the purpose of evading any law or ordinance, give away any alcoholic beverage in any quantity whatever, or cause the same to be done, without complying with all of the provisions of this chapter and all statutes and regulations of the state applicable thereto. Penalty, see Section 5.00.

Sec. 1.04 SCOPE OF COVERAGE

This Ordinance shall apply to the sale of malt, wine, and distilled spirits on any premises or establishment within the City of London, as authorized pursuant to KRS 242.185(6) "Limited Restaurant". The sale of malt, wine, and distilled spirits on any premises within the City of London pursuant to a license issued by the Alcoholic Beverage Control Board under a provision other than KRS 241.185(6) shall be governed by the applicable state statutes however, the provisions of this ordinance shall apply to all persons, licensee, and establishments within the City of London to the fullest extent such applications is delegated to the City of London or otherwise authorized, by the provisions of Chapter 241, 242, 243, and 244 of the Kentucky Revised Statutes. Nothing in this Ordinance shall excuse or relieve the licensee, the agent, the owner, the proprietor or any employee therefore from the restrictions, requirements and penalties of this Ordinance of the City, any other Ordinances or any statutes of the Commonwealth of Kentucky relating to violations pertaining to alcoholic beverages. The provisions of the Alcoholic Beverage Control Law of the Commonwealth of Kentucky (KRS Chapters 241,242,243,and 244) and all amendments and supplements thereto, are adopted so far as applicable to this Ordinance except as otherwise lawfully provided herein.

**Sec. 2.0 OFFICE OF THE CITY ALCOHOLIC BEVERAGE CONTROL
ADMINISTRATOR**

Sec. 2.01 ESTABLISHED; DUTIES.

- (A) Pursuant to KRS 241.110, there is hereby created the office of City Alcoholic Beverage Administrator.
- (B) The Mayor shall serve as the City Alcoholic Beverage Control Administrator (hereinafter referred to as City ABC Administrator), unless the Mayor shall appoint someone else to fill the position pursuant to KRS 241.110.
- (C) The Mayor may from to time appoint such additional personnel as is necessary to assist the City ABC Administrator in the administration of this Ordinance.
- (D) The salary for the office of City ABC Administrator, if any, together with the salaries of any other personnel assisting the City ABC Administrator, shall be fixed from time to time by the London City Council.
- (E) The functions of the City ABC Administrator shall be the same with respect to the City licenses and regulations as the functions of the Department of Alcoholic Beverage Control and the Alcoholic Beverage Control Board of the Commonwealth of Kentucky.
- (F) No person shall be a City ABC Administrator, an investigator or an employee of the City under the supervision of the City ABC Administrator, who would be disqualified to be a member of the ABC Board under KRS 241.100.
- (G) The City ABC Administrator shall have all authority as authorized under KRS Chapters 241 through 244. The City ABC Administrator and the City ABC Administrator's investigators may inspect

any premises where alcoholic beverages are manufactured, sold, stored or otherwise trafficked in, without first obtaining a search warrant.

(H) Should the City ABC Administrator at any time have reasonable grounds to believe that any applicant, licensee, employee of a licensee, or any stockholder, agent or employee of a licensed corporation, LLC or other business organization, has a criminal record, he or she shall have the authority to require such person to appear in person at the London City Police Department for the purpose of having his or her fingerprints taken. Costs of fingerprinting shall be borne by the City.

(I) The City ABC Administrator before entering upon his or her duties as such, shall take the oath as prescribed in Section 228 of the Constitution and shall execute a bond with a good corporate surety in the penal sum of not less than one thousand dollars (\$1,000.00). The City ABC Administrator may require any employee under the City ABC Administrator's supervision to execute a similar bond in such penal sum as the City ABC Administrator deems necessary. The costs of any such bonds shall be borne by the City.

(J) Unless other appeal procedures are set forth herein, appeals from the orders of the City ABC Administrator may be taken to the state ABC Board by filing with the Board within thirty (30) days a certified copy of the orders of the City ABC Administrator. The Board shall hear matters at issue as upon an original proceeding. Appeals from orders of the City ABC Administrator shall be governed by KRS Chapter 13B.

(K) When any decision of the City ABC Administrator shall have been appealed and the ABC Board shall have made a decision regarding such appeal or protested application, the City ABC Administrator, upon receipt of notice of finality of the decision, shall enter such orders and take such action as required by the final order of the ABC Board. As provided by law, and as used herein, no order of the ABC Board is final until all appeals or appeal times shall have been exhausted. A "final order" of the ABC Board is the order entered by said Board, unless an appeal is taken from the Board's order, in which case the "final order" is the order entered by the Board upon direction from the reviewing court of last resort in the final order of said reviewing court.

Sec. 3.00 LICENSE AND TAXES

Sec. 3.01 LICENSE REQUIRED FOR SALE

No person shall see or dispense at retail, or have in his possession for sale, any alcoholic or malt beverage, nor manufacture or transport any alcoholic or malt beverage in the City unless he shall first procure and have issued to him a license under the provisions of this chapter and all statutes of Kentucky and regulations adopted pursuant to this chapter.

Sec. 3.02 LIMITED RESTAURANT ALCOHOL BEVERAGE BY THE DRINK LICENSE; FEES

- (A) The City may issue licenses for the sale of alcoholic beverages by the drink at restaurants and dining facilities where the usual and customary business is the serving of meals to consumers, which has a bona fide kitchen facility, which receives at least seventy percent (70%) of its gross

income from the sale of food, which maintains a minimum seating capacity of one hundred (100) persons for dining, and which is located in a wet or moist territory under KRS 242.1244(2). The fee for this City license is \$800.00 per year.

(B) The City may also issue licenses (Non-quota Type 2 License) for the sale of alcoholic beverages by the drink at restaurants and dining facilities which seat a minimum of fifty (50) persons inside the building and derive a minimum of fifty percent (50%) of their annual gross receipts from the sale of dine-in food only. This excludes carry-out food sales. The fee of this city license will be \$1,000.00 per year.

(C) The City license fee for the sale of alcoholic beverages during extended hours will be \$0.00 per year.

(D) The City license fee for the sale of alcoholic beverages on Sunday will be \$300.00 per year.

Sec. 3.03 DATE LICENSES EXPIRE; PRORATION

All licenses issued by the City shall be valid for a period of no more than one year. All licenses shall expire on April 30 of each year. Applications for renewal are to be filed with the City at least fifteen (15) days prior to expiration. In the event any licensee shall cease doing business for any reason, no refund of the City license fee shall be granted.

Sec. 3.04 PERSONS WHO MAY NOT BE LICENSED

A person shall not become a licensee under this chapter for any of the reasons stated in the KRS 243.100.

Sec. 3.05 PREMISES THAT MAY NOT BE LICENSED FOR SALES AT RETAIL

No license for the sale of alcoholic beverages at retail shall be issued for any premises unless the applicant for the license is the owner of the premises or is in the possession of the premises under a written lease or a permit for a term of not less than the license period.

Sec. 3.06 BUSINESSES AUTHORIZED BY RETAIL DRINK LICENSE

A limited restaurant alcoholic beverage by the drink licenses shall authorize the licensee to purchase, receive, possess, and sell distilled spirits and wine at retail by the drink for consumption on the licensed premises. The licensee shall purchase distilled spirits and wine only from licensed wholesalers. A licensee may purchase wine in containers not smaller than one hundred (100) milliliters if the wine does not exceed fourteen percent (14%) alcohol by volume. A licensee may buy mixed drinks in containers of a capacity not smaller than three hundred fifty-five (355) milliliters if mixed drinks contain a substantial proportion of carbonated water. A retail drink license shall not authorize the licensee to sell distilled spirits or wine by the package.

Sec. 3.07 PUBLIC NOTICE OF INTENT TO APPLY FOR LICENSE

Any person, corporation, partnership, or any other entity, except an applicant for the same license for the same premises, or an applicant for a supplemental bar license shall before applying for a

license advertise, by publication in The London Sentinel Echo, his or her intention to apply for a license as stipulated in KRS 243.360.

Sec. 3.08 LOCAL ADMINISTRATOR TO FIRST APPROVE APPLICATION

An applicant for an alcoholic beverage license must have his city license approved by the City Alcoholic Beverage Control Administrator before they are eligible to apply for a state license.

Sec. 3.09 APPLICATION FOR STATE LICENSE

All applications for alcoholic beverage licenses must submit an application to the state as stipulated in KRS 243.380.

Sec. 3.10 SUBMITTAL OF APPLICATION

An applicant for a license under this chapter shall file with the City Alcoholic Beverage Control Administrator a copy of his state license application containing the information required by KRS 243.380 and 243.390. The City application shall include the consent of the applicant permitting the City ABC Administrator to inspect and search the licensed premises at any reasonable time, to confiscate articles found on the premises in violation of any ordinance or statute, and to order an emergency temporary closure of the premises if the public health, safety, morals and welfare is threatened by one or more violations of any ordinance or statute involving disturbance of the peace or public disorder. The temporary closure shall remain in effect until review of the alleged violations by the City ABC Administrator within thirty-six (36) hours.

Sec. 3.11 CAUSES FOR REFUSAL TO ISSUE OR RENEW LICENSE; SUSPENSION OR REVOCATION OF LICENSE

(A) State Law References. Causes for refusal to issue or renew a license and for suspension or revocation of a city license shall be the same as provided for state licenses according to KRS 243.450, 243.490, 243.500, as well as violation of any city ordinance regarding beverage licensing, sales, or the administration of licenses.

(B) Delinquent Taxes or Fees. No license to sell alcoholic or malt beverages shall be granted or renewed to any person who is delinquent in the payment of any taxes or fees due to the City at the time of issuing the license; nor shall any license be granted or renewed to sell upon any premises or property, owned and occupied by the licensee upon which there are any delinquent taxes or fees due the City. If a licensee becomes delinquent in the payment of any taxes or any fees due to the City at any time during the license period, the license to sell alcoholic or malt beverages shall be subject to revocation or suspension. Upon proceedings for the revocation of any City License, the local alcoholic beverage administrator, may in his or her discretion order a suspension of the license for any cause for which it may, but is not required to, revoke the license. However, the licensee may have the alternative, subject to the approval of the Alcoholic Beverage Control Board or the local alcoholic beverage administrator, for the first ordered suspension of a licensee to pay in lieu of part or all of the days of any suspension period, a sum as follows: Wineries and brewers, one thousand dollars (\$1,000) per day; retail licensees authorized to sell distilled spirits, wine, or beer by the package or drink, fifty dollars (\$50) per day; and

all remaining licensees, fifty dollars (\$50) per day. However, no payment shall be allowed in lieu of the suspension period for a second or subsequent suspension period.

(C) The City ABC Administrator may, in his discretion, approve a license to sell after receiving from the City Clerk, a written statement to the effect that the applicant for the license has paid or has made satisfactory arrangements with the City Clerk for taking care of the indebtedness represented by the unpaid and delinquent taxes or fees. This section shall apply only to taxes and fees, which are due and payable by the licensee.

(D) Appeals. Appeals may be taken from decisions of the City ABC Administrator to the State Alcoholic Beverage Control Board according to the provisions of KRS 241.200 and 243.550.

(E) Failure to Meet Seating Standards. A cause for refusal to issue or renew a license and for suspension or revocation of a city license shall occur if the licensee ceases (1) either to provide a minimum of one hundred (100) permanent seats or derive a minimum of seventy percent (70%) or (2) either to provide a minimum of fifty (50) permanent seats, which excludes bar type stools, patio seating or temporary chairs, (and) or derive a minimum of fifty percent (50%) of their annual gross receipts from the sale of food.

Sec. 3.12 APPROVALS OR DENIAL OF APPLICATION

(A) If upon review of the application, the City ABC Administrator determines that the applicant has complied with all requirements of the Alcoholic Beverage Control Law, as well as all regulatory provisions of this chapter, that the location is one that can be approved, including but not limited to the requirements of KRS 243.220 and 242.185(6), that a license may be issued within the rules fixed by the State Alcoholic Beverage Control Board, and that there are no causes for denial of the license, the City ABC Administrator shall approve the application.

(B) If the City ABC Administrator has reasonable grounds to believe that an applicant has violated any law, rule or regulation relating to alcoholic beverages, he ay issue to the applicant a written order setting forth such violation and requiring the applicant to show cause why the requested license should be issued. The City ABC Administrator shall have the right to order, and the applicant shall have the right to request, an evidentiary hearing to examine the violation set forth in the show cause order issued by the City ABC Administrator. Any decision by the City ABC Administrator on the application shall be subject to appeal as provided by law.

Sec. 3.13 PAYMENT OF FEES, REFUND OF FEE

Upon approval of the application by the City ABC Administrator, the applicant shall pay the amount of the license fee provided in this chapter in the form of a certified check, money order or cash. Payment shall be held in deposit by the City pending state license approval and issuance of the City license by the City ABC Administrator.

If payment of a license fee was erroneously made or the licenses are not issued, the City shall authorize the payment of the refundable amount.

Sec. 3.14 ISSUANCE OF CITY LICENSES

The City Licenses shall be issued and the fees collected by the City Clerk. No license shall be issued by the clerk without the approval of the City ABC Administrator. The license shall be in the form

of a standard City Business License and a business license category shall hereby be established as a Limited Restaurant Alcoholic Beverage by the Drink License. The fees shall be those established in Section 3.02 of this chapter and shall not replace the standard business license fees required in Ordinance 7.99.

Sec. 3.15 POSTING OF LICENSES

Each license in the same form prescribed by KRS 243.440 for state licenses shall be posted at the licensed premises in the same manner prescribed by KRS 243.620 for state licenses. An exact duplicate or facsimile of each city license shall remain in the City Clerk's office as part of the public record.

Sec. 3.16 TRANSFERS, ASSIGN, OR ACQUIRE EXISTING LICENSE

The transfer, assigning or acquisition of city license shall be the same as provided for in state licenses in KRS 243.630, 243.650, and 243.660.

Sec. 3.17 APPLICANT TO PAY FOR OWN LICENSE

The license fee for a city licenses shall be payable by the person who makes application for the license and to who it is issued, and no other person shall pay for any license issued under these sections.

Sec. 3.18 DEPOSIT OF FEES

All moneys derived from license fees or from fines as provided in this chapter shall be paid to the treasury of the City and become a part of the general funds of the City.

Sec. 3.19 LICENSE TO BECOME VOID IF BUSINESS DORMANT; LICENSE RENEWAL

(A) Surrender of license and exceptions. Any license under which no business is transacted during a period of ninety (90) days shall become null and void. At the expiration of the ninety (90) day period the license shall be surrendered to the City ABC Administrator, except that any licensee who is unable to continue in business at the licensed premises may apply to the Commonwealth of Kentucky Alcoholic Beverage Control Department, pursuant to 804 KAR 4:1110, as amended, from time to time to control such license in dormancy. In the event a period of dormancy is applied for or granted by the ABC Administrator to the licensee, the licensee shall immediately notify the City ABC Administrator. Upon resumption of business or transfer or assignment of the license, the licensee shall notify the City ABC Administrator and a fee shall be due and payable to the City for the period the license was in dormancy in the same amount due had the license remained active for the same period.

(B) Applications based on pending construction or development Applications approved by the City ABC Administrator and based on pending construction or development on the premises shall be null and void after ninety (90) days of the commitment to issue a license if the applicant fails to proceed in an orderly fashion to initiate construction or development on the premise involved. The ABC Administrator may grant extensions, as he deems appropriate in exercise of his sound discretion based on facts and circumstances surrounding each request.

(C) Renewals: Time for filing. All renewal of licenses and payment of license fees must be on file with the City ABC Administrator fifteen (15) days before the expiration of the license for the preceding license period or the license shall be canceled, except that the licensee may file a written, verified statement fifteen (15) days prior to the expiration date of the license, setting forth the facts justifying an extension. The ABC Administrator may then extend the time for filing of a renewal of license for a reasonable length of time within the exercise of his sound discretion. The licensee shall pay the license fee from the expiration date of the former license or licenses and payment shall be refunded to the licensee in the event that the license or licenses are not renewed at, or before, the end of the extension period.

Sec. 4.00 PROHIBITIONS, RESTRICTIONS, AND REGULATIONS

Sec. 4.01 HOURS OF SALE

(A) Retail Sale for Consumption on Licensed Premises. Premises for which there had been granted a license the retail sales of alcoholic beverages by the drink, shall be permitted to remain open between the hours of 6:00 a.m. and 12:00 midnight each day of the week, except as stated below.

(B) Alcoholic beverages may be sold or dispensed on Sundays, from 2:00 p.m. to 12:00 midnight.

(C) The licensee may sell and dispense alcoholic beverages on New Years Eve until 2:00 a.m. on January 1, regardless of the day of the week on which New Years Eve occurs, provided that the appropriate licenses have been obtained from both the City and State ABC Commission.

(D) Control of Premises during Closing Hours. During the closing hours, the premises of any license for the sale of alcoholic beverages by the drink must be closed to and vacant of all customers and all persons except the licensee and his employees, who shall be allowed on the premises for business purposes only. Alcoholic beverages shall not be sold, given away, delivered or consumed by anyone in any room of the premises during the closing hours and no parties, private or public, shall be held on the premises. The premises shall not be loaned, rented or leased to anyone during closing hours for a party or for any other purposes.

Sec. 4.02 HOURS OF SALE; EXCEPTIONS; REQUIREMENTS

The licensee shall be allowed to remain open during hours when the sale of alcoholic beverages is prohibited for the sole purpose of providing food services to the public. However, all stocks of alcoholic beverages shall be locked and closed off from the public during said time period.

Sec. 4.03 FOOD SERVICE REQUIREMENT

All license holders of a Limited Restaurant Alcoholic Beverage by the Drink License shall be required to maintain food service during all hours that alcohol is served.

Sec. 4.04 CONFISCATION AUTHORIZED IF VIOLATION OCCUR

If any alcoholic or malt beverages are found on the outside of the locked or closed off area of any licensed premises at any hours during which the licensee is prohibited by the State Alcoholic Beverage Control Act or by this ordinance from selling alcoholic or malt beverages were kept outside the locked or closed-off section for the purpose of sale in violation of this chapter and the State Alcoholic Beverage Control Act and shall be grounds for revocation or suspension of the license. In addition to other penalties provided for violation of this chapter, the City Alcoholic Beverage Control Administrator is hereby authorized to confiscate the alcoholic or malt beverages.

Sec. 4.05 ADVERTISING RESTRICTIONS

- (A) Signage which refers directly, or indirectly, to alcoholic beverages shall be limited to one (1) two (2) square foot sign, for each fifty (50) square feet of glass window, that must be displayed from the inside of the window or interior of the business. No additional signs, banners, posters or other type of display advertising which refers either directly, or indirectly, to alcoholic beverages shall be displayed on, nor shall it be visible from, the exterior of any premises licensed for the sale of alcoholic beverages, except that reference to such may be included in the name of the business. The restriction shall not prevent any licensee from placing in the windows of the licensed premises business price cards not larger than two and one-half (2 ½) inches in size, setting forth the price at which he offers alcoholic beverages for sale.
- (B) No flashing lights shall be used to illuminate the exterior of any premises licensed under this chapter.
- (C) It shall be unlawful for all licensees under this chapter to distribute or cause to be distributed any handbills, circulars or cards as a medium for advertising alcoholic beverages.
- (D) It shall be unlawful for any person, holding a license under this chapter to sell alcoholic beverages of any kind, to give away or offer to give away anything tangible of value as a premium or prize, or for any other purpose in connection with the sale of alcoholic beverages.
- (E) Any advertising by any licensee under this chapter shall be in compliance with KRS 244.130.
- (F) Any off premises signage advertising the sale of alcoholic beverages is prohibited.
- (G) Any radio or remote radio broadcasting advertising the sale of alcoholic beverage is prohibited.
- (H) Any use of outdoor umbrellas or other outdoor or patio fixtures that feature the name or logo of an alcoholic beverage manufacture of alcoholic beverages is prohibited.

Sec. 4.06 TREATING PROHIBITED / DRINK SPECIALS PROHIBITED

No license holder shall give away any alcoholic beverage in any quantity for less than a full monetary consideration. Licensee shall be prohibited from offering “free” or “complimentary” drink specials.

Sec. 4.07 LICENSEE TO PURCHASE FROM AND SELL ONLY TO PERSONS AUTHORIZED TO SELL OR PURCHASE

(A) No licensee shall purchase or agree to purchase any alcoholic beverages from any person within or without this state, who is not licensed to sell the beverages to the particular purchaser at the time of the agreement to sell, nor give any order for any alcoholic beverages to any person who is not a holder of a special agents or solicitors license if such a license is required.

(B) No licensee shall sell, or agree to sell, any alcoholic beverage to any person within or without this state who is not legally authorized to buy and receive the beverages at the time of the agreement to sell, nor secure any order for the sale of any alcoholic beverages through any person who is not the holder of a special agents or solicitors license.

Sec. 4.08 RETAIL SALES TO CERTAIN PERSONS PROHIBITED

No retail licensee shall sell, give away or deliver any alcoholic beverages, or procure or permit any alcoholic beverages to be sold, given away or delivered to:

(A) A minor, except that in any prosecution for selling alcoholic beverages to a minor it is an affirmative defense that the sale was induced by the use of false, fraudulent, or altered identification papers or other documents and that the appearance and character of the purchaser were such that his age could not have been ascertained by any other means and that the purchasers appearance and character indicated strongly that he/she was of legal age to purchase alcoholic beverages. The evidence may be introduced either in mitigation of the charge or as a defense to the charge itself.

(B) A person actually or apparently under the influence of alcoholic beverages.

(C) A habitual drunkard or any person convicted of drunkenness as many as three (3) times within the most recent twelve (12) month period.

(D) Except as provided in Section C above, anyone known to the seller to have been convicted of D.U.I. or any other misdemeanor attributable directly or indirectly to the use of alcoholic beverages, or for a felony within the preceding twelve (12) months.

Sec. 4.09 SALE TO PERSON NOT PROVIDING FOR HIS FAMILY PROHIBITED

No licensee shall or agree to sell any alcoholic beverages or cause or permit any alcoholic beverage to be sold to any person who has been reported to the licensee by any court or by any officer acting at the direction of a court as having failed to make proper provisions for his family.

Sec. 4.10 LICENSEE TO DISPLAY NOTICE AS TO THE SALE TO MINORS; WARNING OF DANGERS OF DRINKING DURING PREGNANCY TO BE POSTED

A. Every retail licensee shall display at all times in a prominent place a printed card at least eight (8) inches by eleven (11) inches in size which shall show, in thirty (30) point or larger type, substantially as follows:

Persons under the age of twenty-one (21) are subject to a fine up to One Hundred Dollars (\$100.00) if they:

- (1) Enter licensed premises to buy, or have served to them, alcoholic beverages.
- (2) Possess, purchase or attempt to purchase, or get another to purchase alcoholic beverages.
- (3) Misrepresent their age for purpose of purchasing or obtaining alcoholic beverages.

B. All licensed retail vendors of alcoholic beverages shall post in prominent place easily seen by patrons a printed sign at least eleven (11) inches by fourteen (14) inches in size, with letters at least one (1) inch high, supplied by the Alcoholic Beverage Control Commission, and with gender-neutral language supplied by the Cabinet for Health Services, which shall warn that drinking alcoholic beverages prior to conception or during pregnancy can cause birth defects.

Sec. 4.11 MINORS NEITHER TO POSSESS NOR PURCHASE LIQUOR NOR TO MISREPRESENT AGE-USE OF FRAUDULENT IDENTIFICATION

(A) As used in KRS 244.083 and this section; Premises has the meaning it is given in KRS 241.010 and also means the place of business of a person licensed to sell alcoholic beverages.

(B) A person under 21 years of age shall not enter any premises licensed for the sale of alcoholic beverages for the purpose of purchasing or receiving any alcoholic beverages.

(C) A person under 21 years of age shall not possess for his or her own use or purchase or attempt to purchase or have another purchase for him or her any alcoholic beverages. No person shall aid or assist any person less than 21 years of age in purchasing or having delivered or served to him or her any alcoholic beverages.

(D) A person under 21 years of age shall not misrepresent his or her age for the purpose of inducing any licensee, or the licensed agent, servant, or employee, to sell or serve any alcoholic beverages to the underage person.

(E) A person under 21 years of age shall not use, or attempt to use any false, fraudulent, or altered identification card, paper, or any other document to purchase or attempt to purchase or otherwise obtain any alcoholic beverage.

Sec. 4.12 PERSONS WHO LICENSEES MAY NOT EMPLOY

(A) A person holding any city license shall not knowingly employ in connection with his or her business any person who:

- (1) Has been convicted of any felony within the last two (2) years.
- (2) Has been twice convicted of any misdemeanor or offense directly or indirectly attributable to the use of intoxicating liquors within the last two (2) years.
- (3) Is under the age of twenty (20) years, unless the person is employed in a capacity that does not involve the sale or serving alcoholic beverages.
- (4) Within two (2) years prior to the date of his employment, has had any license issued under KRS 243.020 to 243.670 or under any other act or ordinance relating to the regulation of the manufacture, sale, or transportation of alcoholic beverages revoked for cause.

(B) The provisions of paragraph (1) and (2) or subsection (A) of this section shall not apply if the employees duties do not involve the sale, service, delivery, or traffic in alcoholic beverages at the licensed premises.

(C) Violation of this section shall subject both employer and employee to penalties provided in this chapter and shall be cause for revocation of license.

Sec. 4.13 RETAIL PREMISES NOT TO BE DISORDERLY

(A) No person licensed to sell alcoholic beverages at retail shall cause, suffer, or permit the licensed premises to be disorderly.

(B) Acts, which constitute disorderly premises, consist of permitting patrons to cause public inconvenience, annoyance or alarm, or wantonly creating a risk through:

(1) Engaging in fighting or in violent, tumultuous or threatening behavior, or

(2) Making unreasonable noise; or

(3) Refusing to obey any official order to disperse issued to maintain public safety in dangerous proximity to a fire, hazard, or other emergency; or

(4) Creating a hazardous or physically offensive condition by an act that serves no legitimate purpose; or

(5) No licensee shall offer or permit nudity, adult entertainment activities, including nude or nearly nude dancing, adult motion picture, television, slide or stage shows, cabarets or sexual entertainment centers on any licensed premise. No licensee shall permit explicit sexual activity, whether actual or simulated, upon any licensed premises. No licensee shall sponsor or permit wet t-shirt or wet clothing contests, lingerie fashion shows, mud wrestling or similar activities, nor shall a licensee allow dancing with touching for compensation (including but not limited to wages, tips or gratuities), or any other service, display or contest requiring physical contact between patrons and/or patrons and employees on any licensed premises. No licensee shall sponsor, offer or permit drinking contests, all-you-can-drink specials or free drinks on any licensed premise in the City.

(6) No special events which include, but not limited to, gathering of patrons outside the licensed premises for said entertainment, advertising, promoting, or other purposes.

Sec. 4.14 MANDATORY RESPONSIBLE BEVERAGE SERVICE TRAINING

A. All persons employed in the selling and serving of alcoholic beverage shall participate in and complete a City approved Responsible Beverage Server Training Program. For a responsible beverage server training program to be approved by the City of London, it must effectively train its participants in the identification of false age documents and recognition of characteristics of intoxication. This training must also follow the Commonwealth of Kentucky Alcohol Beverage Control Requirements. The City will not require enrollment in particular classes, but only that the training be obtained from a recognized program meeting the goals expressed in this Ordinance.

B. All persons required to complete training, under paragraph (A) above shall complete that training within sixty (60) days of the date on which the person first becomes subject to the training requirement. All persons completing the training required by this section shall be recertified in responsible beverage service training, by a City approved program not less than once every three years thereafter.

(C) The manager of the restaurant shall be responsible for compliance with the training requirements and shall maintain on premises for inspection by the City ABC Administrator or his designee a record or

file on each employee that shall contain the pertinent training information. The manager shall cause a report to be filed with the City ABC Administrator a report on January 1st, May 1st, September 1st and December 1st of each year a report of all current employees. This report shall include the employee name, date of birth; hire date, driver license number, position held, server trained and training date.

Sec. 5.00 REGULATORY LICENSE FEE

Sec. 5.01 REGULATORY LICENSE FEE IMPOSED

(A) A regulatory license fee is imposed on the gross receipts from retail sales of alcoholic beverages under each license issued for the purpose of insuring full reimbursement to the City for the cost of any additional policing, regulatory, or administrative expenses related to the sale of alcoholic beverages in the City. The City Council shall adopt, at the budget adoption for the fiscal year, an annual rate for the regulatory license fee as shall be reasonably estimated to insure full reimbursement to the City for the cost of any additional policing, regulatory, or administrative expenses related to the sale of alcoholic beverages in the City. The regulatory license fee shall be in addition to any other taxes, fees or licenses permitted by law,

(B) The regulatory license fee shall be seven percent (7%) for the fiscal year beginning January 1, 2005 and continuing thereafter until amended or repealed.

Sec. 5.02 PAYMENT

Payment of such fee shall accompany forms approved for use by the ABC Administrator and shall include a tabulation of both gross food sales and alcohol sales for the preceding month. *Gross food sales must not include carry-out or delivered food.* The forms and payment shall be submitted to the City Clerk by the twentieth (20th) day of each month for the preceding month's sales.

Sec. 5.03 FAILURE TO PAY; INTEREST ON LATE PAYMENT

Failure to pay the monthly remittance within ten (10) days after the due date shall constitute a violation of this chapter.

Interest shall be assessed upon any past due payments at the rate of twelve (12) percent per annum.

Sec. 5.04 PENALTY FOR NONPAYMENT

If the holder of any license shall fail to pay the regulatory license fee imposed by this Section within ten (10) days of the due date, an automatic penalty of Fifty and 00/100 Dollars (\$50.00) shall be assessed for the first offense. An automatic penalty of One Hundred and 00/100 Dollars (\$100.00) shall be assessed on the second offense, and an automatic penalty of Two Hundred and 00/100 Dollars (\$200.00) shall be assessed on the third offense. In addition to the monetary penalty, the City Alcoholic Beverage Control Administrator shall hold a hearing for a second and third offense requiring the licensee to show because why the license should not be suspended or revoked with full authority to do so upon appropriate findings. The calculation of the number of offenses for the purpose of invoking the above penalties shall be done on a twelve (12) month basis, with the number of offenses being reduced to zero at the beginning of each new license period.

Sec. 5.05 ADEQUATE RECORDKEEPING

Every licensee shall keep and maintain adequate books and records of all transactions involved in the sale of alcoholic beverages in the same manner required by the rules and regulations of the State Alcoholic Beverage Control Board, or such rules and regulations as may be from time to time promulgated by the City Alcoholic Beverage Control Administrator and approved by a majority of a quorum of the City Council. Where the sales of alcoholic beverages as they relate to other sales are determinative of the licensee eligibility to retain a license, the licensee shall maintain adequate records to show that relationship. The books and records shall be available at all reasonable times for inspection by the City Alcoholic Beverage Control Administrator or any authorized representative.

Sec. 5.06 AUDIT REQUIREMENTS

The City Alcoholic Beverage Control Administrator may at his discretion require that a licensee make his records available to the City for the purpose of conducting an audit to verify compliance with the fifty percent (50%) of *dine-in* food sales requirements. This must exclude all carry-out or delivered food sales.

Sec. 5.07 PENALTIES

A. Any person who violates any provision of this chapter for which no specific penalty is provided shall be guilty of a misdemeanor and shall, in addition to other penalties provided by law, be subject to the following penalties:

(1) For the first offense, a fine not to exceed Five Hundred and 00/100 Dollars (\$500.00)

(2) For any subsequent offense, a fine not to exceed Five Hundred and 00/100 Dollars (\$500.00) or confinement in jail not more than six (6) months, or both.

(B) Any proceeding for the revocation of any license issued hereunder shall be governed in accordance with the provisions of KRS 243.480.

Sec. 6.00 OTHER REQUIREMENTS/REGULATIONS

Sec. 6.01: PATIO AND OUTDOOR SALES.

(A) Patio and outdoor sales of alcoholic beverages shall be permitted only on premises licensed for sales of alcoholic beverages by the drink.

(B) Procedure. Anyone wishing to obtain an outdoor alcoholic beverage license must first have obtained a liquor by the drink license issued by the City ABC Administrator shall be done in conjunction with applying for a liquor by the drink license.

(1) Application for an outdoor alcoholic beverage license shall be made to the City ABC Administrator.

(2) If a restaurant has obtained an outdoor alcoholic beverage license, but moves to a new location or if the outdoor alcoholic beverage area is altered or relocated at the existing premises, the permit shall be automatically terminated and a new application will be required.

(C) Required conditions. The City ABC Administrator may only grant an outdoor alcoholic beverage license if the following conditions are met:

(1) The only entrance and exit to the outdoor alcoholic beverage area shall be through the principal structure. The perimeter of the outdoor alcoholic beverage area shall be clearly defined with decorative walls or fencing at a minimum height of three (3) feet so as to provide control over the operation of the outdoor alcoholic beverage area in conjunction with the landscaping requirements as prescribed in section two (2); otherwise, a solid enclosure at a minimum height of four (4) feet is required. The outdoor alcoholic beverage area is intended to provide separation from pedestrians. One (1) emergency exit is required for the outdoor area done in accordance with any applicable fire codes.

(2) Some combination of evergreen vegetation or landscaping will be required, around the perimeter of the outdoor alcoholic beverage area, to provide partial screening at a minimum height of four (4) feet with plantings spaced on a maximum of a four (4) foot center. These requirements will not be used to reduce or minimize any other screening ordinance in place.

(3) A seating plan must be submitted along with the proposed surface area. The seating plan will be reviewed to provide recommendations. The surface area of the outdoor alcoholic beverage area should generally be a hard surface.

(4) Lighting is required. The lighting shall be of a subdued nature and not imposing to any adjacent property.

(5) All plans are to be reviewed and approved by the City ABC Administrator prior to issuance of an outdoor alcohol beverage license.

(6) Any restaurant not in compliance with this section on the day of its adoption shall have one hundred and twenty (120) days to come in compliance.

(7) The licensee shall at all times ensure that the operation of an outdoor seating area does not unreasonably interfere with the quiet enjoyment of neighboring properties.

(D) Notwithstanding the foregoing requirements which contemplate a completely enclosed outdoor seating area, an application for an outdoor alcoholic beverage license may be approved if the applicant can demonstrate that one or more natural or artificial barriers will provide an adequate means of:

- (1) Preventing persons who are under the age of 21 from purchasing or consuming alcoholic beverages;
- (2) Preventing persons who did not enter the premises from one of the main entrances from entering the outdoor seating area;
- (3) Preventing persons from leaving the premises, unless it is an emergency, without exiting through one of the main entrances;

(4) Permitting, at any given time, the licensee to quickly and readily provide a reasonably accurate head count of the number of patrons in the outdoor seating area.

(E) Absent a showing that all of the conditions in section (D) above can be satisfied, the City ABC Administrator shall require the outdoor seating area to be completely enclosed on all sides.

Sec. 7.00 OTHER ORDINANCES

This ordinance shall be effective immediately upon its adoption by the City Council on second reading and publication in accordance with the applicable provisions of Kentucky law. Any Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

Date of First Reading: _____
Date of Second Reading: _____
Publication Date: _____

Mayor Troy Rudder

Attested: _____
Carol Adams, Clerk